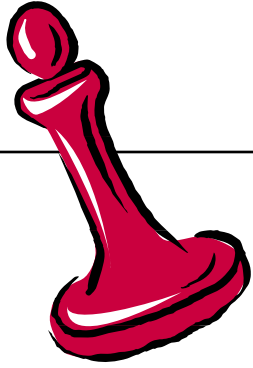


# Your Benefits Your Move



## Open Enrollment 2002 ... Get in the Game

### In This Newsletter

This newsletter highlights plan changes and is designed to help you choose the medical plan that's right for you and your family for 2002. It provides an overview of the new PPO Value Plan, as well as the other medical plan options offered to you as a City of Long Beach employee. It also features a Benefits Trivia Game that gives you the opportunity to win a \$25 restaurant gift certificate. If you have questions after reading this newsletter, please contact the Human Resources Department.

**Play the City of Long Beach Benefits Trivia Game to be eligible to win one of several \$25 restaurant gift certificates. Details on page 3.**



Another year has passed and it is once again time to evaluate your personal needs and make new benefit decisions for 2002. We invite you to get in the game as The City of Long Beach introduces this year's program theme: ***Your Benefits. Your Move.***

Choosing the benefits that are right for you requires care and attention, strategic thinking, and a certain amount of homework. It's not a simple roll of the dice; so don't leave it to chance. Take the time to read your printed materials, learn what's new and different, and ask questions. Open enrollment is your once-a-year opportunity to make your move. The more you know about your benefits, the better your chances of winning the game.

### SOME THINGS HAVE CHANGED

#### Higher Costs for Medical Plans

Rising health care costs threaten to knock the City off the board when it comes to providing quality medical plans for our employees. To deal with these increasing cost trends – which average 20% for prescription drugs alone – the City needed to take corrective action. As a result, you will see higher payroll deductions for some plan options for 2002. Plan copayments, including your cost for prescriptions, have also increased.

Employees who select the PPO High Plan will see the greatest cost increase, as this Plan is the most expensive for the City to provide. To give these employees an affordable

option, the new PPO Value Plan is being introduced. Compared to the PPO High Plan, the PPO Value Plan provides much of the same protection, while preserving your ability to choose from a large list of participating doctors and hospitals and keeping your payroll deduction affordable.

If you currently participate in the PPO High Plan, consider switching to the PPO Value Plan. Your payroll deductions will be lower, and you will continue to receive comprehensive medical coverage. At the same time, you will be helping the City control future plan costs. If you live in Long Beach, you may find that the Long Beach Choice POS Plan, with its comprehensive benefits and no payroll deductions, better meets your needs.

Quality health care is a partnership effort between the City, insurance carriers, providers, and employees. Your willingness to share a portion of rising medical costs and become cost-conscious health care consumers will ensure ongoing City-sponsored quality health care plans to meet your needs.

City of  
Long Beach

Human  
Resources  
Department

333 W. Ocean Blvd.,  
13th Floor

Long Beach, CA 90802

(562) 570-6302 FAX (562) 570-6107

## New PCS Coverage for all Great-West Life Plans

All Great-West Life Plans will now have prescription drug coverage through PCS. The copayment will be \$5 for generic drugs; and \$15 for brand-name drugs. More than 90% of pharmacies across the country are participating PCS pharmacies.

## Emergency Room Copay Change for POS Plans

A \$50 in-network emergency room copayment will apply to the Long Beach Choice and Great-West Life POS Plans.

## Improved Preventive Care Maximum for PPO Plans

All Great-West Life PPO Plans will now have a \$250 annual maximum for preventive care expenses, up from the current \$100 maximum.

## PacifiCare of California Changes

Here are some of the changes that apply to PacifiCare for 2002:

- ▶ The copay for generic prescriptions remains at \$5; however, the copay for brand-names changes to \$15; and the copay for non-formulary changes to \$25.
- ▶ The office visit copay changes to \$10.
- ▶ The emergency room copay changes to \$50.

**Open enrollment begins  
October 1, and ends  
October 12, 2001.**

# Comparing Your Medical Options

Here's an overview of the medical plans offered by the City of Long Beach. For an at-a-glance summary, refer to the back of this newsletter.

As you are comparing your options, keep in mind the differences between the POS and PPO Plans. POS Plan benefits are at a higher level compared with PPO Plans. If you select the POS Plan, you will have fewer providers to choose from, but benefits will be paid at a higher amount and your paycheck deduction will be significantly less. More information on the plans will be included in your Summary Booklet.

## Long Beach Choice Point of Service (POS) Plan

The Long Beach Choice POS Plan offers the highest level of benefits. It pays all of your eligible medical expenses for most services. For others, you pay only a \$15 copayment. Benefits include a full range of health care, mental health and preventive care benefits, as well as a prescription drug card benefit. There is no payroll deduction for this option.

You must choose a Primary Care Physician (PCP) from a participating medical group to manage all of your care. You must obtain a referral from your PCP before seeing any specialist. To receive the highest benefits, you must always use in-network providers, facilities and specialists referred by your PCP. If you do not use participating network providers approved through or referred by your PCP, benefits are drastically reduced to 50% after a \$200 deductible.

The POS medical groups include Memorial Medical Group, Harriman & Jones, Physicians of Greater Long Beach, Community Medical Group, plus affiliated specialist physicians. Participating hospitals are Long Beach Memorial Hospital & Health Center, Community Hospital, and St. Mary Medical Center.

## Great-West Life Point of Service (POS) Plan

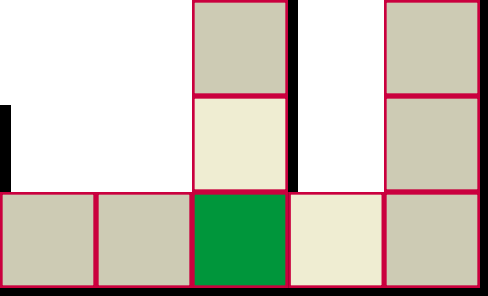
The Great West Life POS Plan is ideal for those who do not live in Long Beach, or who prefer access to doctors outside the Long Beach area. "Point of Service" means you decide whether to be treated in-network or out-of-network when you need care. To receive the highest benefits, you must always use in-network providers, facilities and specialists referred by your PCP.

POS doctors, hospitals and ancillary providers have agreed to discount their fees to the Plan while providing care in the most cost-effective setting. When you are treated in-network, you benefit from these discounted rates. Your office visit copayment is \$15. You always have the option to be treated out-of-network, but lower plan benefits will apply.

## Great-West Life PPO Value Plan

The new Great-West Life PPO Value Plan provides a full range of benefits plus the option to choose from a large list of network doctors and hospitals while keeping your payroll deduction affordable. Your monthly cost for this plan is \$60. It also features a reasonably low out-of-pocket maximum of \$4,000 per person, or \$8,000 per family. Once you reach this maximum, the plan pays at 100%.

The annual deductible is \$200 per person, or \$400 per family. Your office visit copayment is \$20. As long as you use network providers, your care will be covered at the highest level (80%). You may also use out-of-network providers, but benefits are then reduced to 60% and you must file your own claim forms.



### Great-West Life PPO High and PPO Low Plans

These PPO plan options feature a preferred provider network that includes doctors, hospitals, and other health care providers. As long as you use network providers, your care will be covered at the highest level, based on your selected plan option (PPO High or PPO Low). You may also use out-of-network providers, but benefits are then paid at a lower level and you must file your own claim forms.

#### PPO High Plan

The PPO High Plan has a \$200 annual deductible. The plan generally pays 90% of covered expenses when you use PPO network providers. In network, you pay a \$20 copayment for office visits. If you are treated out-of-network, the plan normally pays 70% of covered expenses after you satisfy the annual deductible.

#### PPO Low Plan

The PPO Low Plan is designed for those who need less expensive health care, are generally in good health, have coverage elsewhere, and/or can afford to pay more out-of-pocket expenses. The PPO Low Plan has a \$300 annual deductible. In general, this plan pays 80% of covered expenses after the deductible whenever you use PPO network providers. You pay a \$25 copayment for in-network office visits. If you are treated out-of-network, the plan typically pays 60% of covered expenses after the annual deductible.

#### PacifiCare HMO

When you enroll in the HMO, you agree to use only PacifiCare HMO doctors, facilities and medical groups for all of your medical care. You must choose a Participating Medical Group (PMG) and a primary care physician (PCP) to manage your care. PacifiCare covers most services at 100% as long as you use providers who belong to your PMG. Office visit copays are \$10. Any care you receive without approval from your PCP or PMG is not covered.

## PLAY TO WIN

*The more you know about the “rules of the game” when it comes to your benefits, the better prepared you are to make strategic decisions. Test your knowledge by playing the **City of Long Beach Benefits Trivia Game**. Players who return their completed answer sheet with correct answers to the Human Resources Department by October 22, 2001 will be entered in a drawing to win several \$25 restaurant gift certificates. Only one entry per person, please. Put on your thinking cap and play to win!*

## YOUR TURN IS COMING UP...

Open enrollment begins October 1, and ends October 12, 2001. This is your once-a-year opportunity to add or delete dependents from your coverage, or to change your benefit elections. The decisions you make during open enrollment must remain in effect during the plan year unless you experience a qualified status change (such as a marriage, birth or adoption of a child).

Your enrollment package contains a pre-printed form that lists your current elections. If you do not wish to make any changes, simply check the “No Change” box at the top of the form, sign the form, and return it to your payroll personnel assistant. If you **do** wish to make plan changes, indicate your new choices on the form, then sign the form and return it by the October 12 deadline.

Prepare yourself to make the right move. Take the time to review your enrollment materials to make the most of the plans offered. If you have questions, plan to attend a Question & Answer session to meet health and dental insurance representatives. (A schedule is included at the back of your Summary Guide.) By playing it right and developing a thoughtful strategy for choosing your benefits, you can't lose!

# CITY OF LONG BEACH TRIVIA GAME

Complete this answer sheet with correct answers from your Summary Booklet and return it to the Human Resources Department by October 22, 2001. You will be entered in a drawing to win one of several \$25 restaurant gift certificates. You must be a City of Long Beach employee to be eligible to win. Only one entry per person, please.

1 WHICH MEDICAL PLAN PAYS 100% OF YOUR ELIGIBLE EXPENSES PROVIDED YOU USE NETWORK DOCTORS AND HOSPITALS AND YOUR CARE IS AUTHORIZED BY YOUR PRIMARY CARE PHYSICIAN?

- ☐ Long Beach Choice POS
- ☐ Great-West Life POS
- ☐ Great-West Life PPO High Plan
- ☐ Great-West Life PPO Low Plan
- ☐ Great-West Life PPO Value Plan
- ☐ Medicare Supplement Benefit
- ☐ None of the Above

2 HOW MANY DAYS AFTER YOUR WEDDING DAY OR AFTER YOUR CHILD'S BIRTH DO YOU HAVE TO ADD YOUR NEW DEPENDENT SPOUSE OR CHILD FOR COVERAGE?

- ☐ 7 days
- ☐ 14 days
- ☐ 21 days
- ☐ 30 days
- ☐ 45 days
- ☐ Unlimited days

3 WHAT HAPPENS TO BENEFITS WITH THE POS PLANS IF YOU GO DIRECTLY TO A SPECIALIST WITHOUT A REFERRAL FROM YOUR PCP?

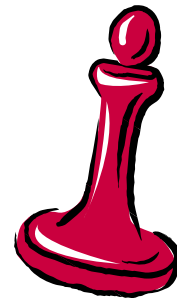
- ☐ Benefits are reduced to 25%, plus deductible
- ☐ Benefits are reduced to 50%, plus deductible
- ☐ Benefits are reduced to 25%, with no deductible
- ☐ Benefits are reduced to 50%, with no deductible
- ☐ No benefits are paid

4 THE AMOUNT YOU MUST PAY PER PERSON OR PER FAMILY EACH YEAR BEFORE THE PLAN PAYS ANY BENEFITS IS CALLED...

- ☐ The copayment
- ☐ The coinsurance
- ☐ The deductible
- ☐ The pretax premium
- ☐ The bottom line

5 THE DELTA DENTAL PLAN PROVIDES BENEFITS FOR WHICH OF THE FOLLOWING?

- ☐ Cleanings
- ☐ Fillings
- ☐ Dentures
- ☐ Orthodontia
- ☐ All of the above
- ☐ None of the above



**6** TO QUALIFY FOR LONG TERM CARE INSURANCE, YOU MUST NEED ASSISTANCE WITH HOW MANY OF THE SIX ACTIVITIES OF DAILY LIVING? (THESE ACTIVITIES INCLUDE EATING, BATHING, DRESSING, TOILETING, CONTINENCE OR TRANSFERRING, AND/OR COGNITIVE IMPAIRMENT.)

- ☐ One
- ☐ Two
- ☐ Three
- ☐ Four
- ☐ Five
- ☐ Six

**7** IF YOU ENROLL IN A CITY MEDICAL PLAN, YOU AUTOMATICALLY RECEIVE HOW MUCH LIFE INSURANCE COVERAGE FOR YOURSELF?

- ☐ None
- ☐ \$10,000
- ☐ \$15,000
- ☐ \$20,000
- ☐ \$25,000
- ☐ \$30,000

**8** IF YOU PARTICIPATE IN THE POS, OR LONG BEACH CHOICE POS, AND YOU GO TO THE EMERGENCY ROOM FOR TREATMENT, WHAT MUST YOU DO TO RECEIVE THE HIGHEST LEVEL OF BENEFITS?

- ☐ Call your insurance company
- ☐ Contact your primary care physician (PCP) within 48 hours
- ☐ Nothing – the insurance company handles everything
- ☐ Nothing – the emergency room should handle everything

**9** FLEXIBLE SPENDING ACCOUNTS LET YOU USE PRETAX DOLLARS TO PAY FOR...

- ☐ Braces
- ☐ Eyeglasses
- ☐ Child care
- ☐ Hearing aids
- ☐ All of the above
- ☐ None of the above

**10** THE MAXIMUM PRETAX AMOUNT YOU CAN CONTRIBUTE TO THE HEALTH CARE ACCOUNT ANNUALLY IS...

- ☐ \$1,000
- ☐ \$1,500
- ☐ \$2,200
- ☐ \$3,600
- ☐ \$5,000

Your Name: \_\_\_\_\_

Dept: \_\_\_\_\_ Work Phone: \_\_\_\_\_

## MEDICAL OPTIONS AT-A-GLANCE

	LB Choice POS	Great-West POS	PPO Value Plan	PPO High Plan	PPO Low Plan	PacifiCare HMO
<b>Your cost</b>	No cost with either Delta Dental or PacifiCare Dental	\$10 per month with either Delta Dental or PacifiCare Dental	\$60 per month with Delta Dental; \$25 per month with PacifiCare Dental	\$250 per month with Delta Dental; \$210 per month with PacifiCare Dental	No cost with either Delta Dental or PacifiCare Dental	\$54 per month with Delta Dental; \$20 per month with PacifiCare Dental
<b>Deductible</b>	In-Network: \$0 Out-of-Network: \$200 per person; \$400 per family	In-Network: \$0 Out-of-Network: \$200 per person; \$400 per family	\$200 per person; \$400 per family	\$200 per person; \$400 per family	\$300 per person; \$600 per family	None
<b>Coinsurance</b>	In-Network: Plan pays 100% Out-of-Network: Plan pays 50%	In-Network: Plan pays 100% Out-of-Network: Plan pays 50%	In-Network: Plan pays 80% Out-of-Network: Plan pays 60%	In-Network: Plan pays 90% Out-of-Network: Plan pays 70%	In-Network: Plan pays 80% Out-of-Network: Plan pays 60%	Does not apply
<b>Annual Coinsurance/ Copayment Maximum</b>	In-Network: Does not apply Out-of-Network: Unlimited	In-Network: Does not apply Out-of-Network: Unlimited	In-Network: \$4,000 per individual (limited to 2 persons per family) Out-of-Network: Unlimited	In-Network: \$2,500 per individual (limited to 2 persons per family) Out-of-Network: Unlimited	In-Network: \$20,000 per individual (limited to 2 persons per family) Out-of-Network: Unlimited	Limited to \$800 in copayments per individual (limited to 3 persons per family)
<b>Hospitalization</b>	In-Network: 100% Out-of-Network: 50%* up to covered daily maximum of \$300 (\$150 a day paid maximum)	In-Network: 100% Out-of-Network: 50%* up to covered daily maximum of \$300 (\$150 a day paid maximum)	In-Network: 80%* Out-of-Network: You pay \$500 per confinement, then covered at 60%* up to \$300 per day (\$180 paid maximum per day)	In-Network: 90%* Out-of-Network: You pay \$200 per confinement, then covered at 70%* up to \$300 per day (\$210 paid maximum per day)	In-Network: You pay \$200 per confinement, then covered at 80%* Out-of-Network: You pay \$500 per confinement, then covered at 60%* up to \$300 per day (\$180 paid maximum per day)	Semi-private room or ICU with ancillary services covered in full for unlimited days (includes SMI benefits mandated by AB88)
*Plus deductible						
<b>Network Physician Office Visit Copay</b>	You pay \$15	You pay \$15	You pay \$20	You pay \$20	You pay \$25	You pay \$10
<b>Provider Choice</b>	Limited to choice of POS doctors & hospitals in Long Beach area; PCP referral needed to seek specialist care.	Limited to choice of Great-West Life POS doctors & hospitals outside of Long Beach; PCP referral needed to seek specialist care.	Choose from extensive list of PPO providers to receive highest benefits; no PCP referral needed for specialist care.	Choose from extensive list of PPO providers to receive highest benefits; no PCP referral needed for specialist care.	Choose from extensive list of PPO providers to receive highest benefits; no PCP referral needed for specialist care	Limited to PacifiCare PMGs and PCPs; PCP referral needed to seek most specialist care.
<b>Prescription Coverage</b>	PCS Pharmacy: \$5 for generic; \$15 for brand.	PCS Pharmacy: \$5 for generic; \$15 for brand.	PCS Pharmacy: \$5 for generic; \$15 for brand.	PCS Pharmacy: \$5 for generic; \$15 for brand. Non-PCS Pharmacy: Must file claim form with PCS. Benefits will be reduced.	PCS Pharmacy: \$5 for generic; \$15 for brand. Non-PCS Pharmacy: Must file claim form with PCS. Benefits will be reduced.	PacifiCare Pharmacy: \$5 generic; \$15 brand; \$25 non-formulary
<b>Special Considerations</b>	Suits those living in the Long Beach area that value low out-of-pocket costs and no monthly payroll deduction for coverage. You must select a network PCP to manage your care. Out-of-network services are paid at a reduced rate.	Suits those living outside the Long Beach area that value low out-of-pocket costs and a low monthly payroll deduction for coverage. You must select a network PCP to manage your care. Out-of-network services are paid at a reduced rate.	Suits those that don't mind some out-of-pocket costs (with reasonable catastrophic protection) and a moderate monthly payroll deduction for coverage. You value self-direction of care and access to a broader provider network. Out-of-network services are paid at a reduced rate.	Suits those that don't mind paying a significantly higher monthly payroll deduction for coverage in exchange for somewhat lower out-of-pocket costs (with a high degree of catastrophic protection). You value self-direction of care and access to a broader provider network. Out-of-network services are paid at a reduced rate.	Suits those that need less coverage and can afford higher out-of-pocket costs (with significantly lower protection against catastrophic costs) with no monthly payroll deduction for coverage. You value self-direction of care and access to a broader provider network. Out-of-network services are paid at a reduced rate.	Suits those that live in the HMO service area and value low out-of-pocket costs and a moderate monthly payroll deduction for coverage. You value greater preventive and wellness benefits and are willing to be restricted to the HMO provider network. Out-of-network services are only covered in an emergency.